

CONGRESS FACING
GREAT PROBLEMS

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States, bound by the very nature of the case to approval of the general attitude of the Allies toward Germany, could scarcely rush through a separate peace with Germany; could scarcely take such action as might encourage German treachery in a trying and delicate stage of the European problem. For this larger reason, therefore, it is not likely that haste will be displayed in shoving the Knox resolution through Congress. In fact, *The New York Herald* is assured from the highest sources of knowledge, that haste will not be displayed. Passage of the resolution may involve a wait beyond May day and upon a further study of the German attitude.

There is another reason, of even greater delicacy, why the Knox resolution will not be driven through Congress. This reason has to do with the good faith of the Allies toward the United States.

The President and the Secretary of State, in their attitude toward the purposes of the Allies in demanding fair satisfaction from Germany for the wrongs she did, for bringing on the great war, the President and the Secretary of State are in the way of making it clear to the Allies that the United States is not in any sort of opposition to the Allies. All they ask from the Allies is a fair deal for the United States for a straight-out contribution to the war effort. The Secretary of State is in the way of making it clear to the Allies that the United States is not in any sort of opposition to the Allies. All they ask from the Allies is a fair deal for the United States for a straight-out contribution to the war effort.

Hughes' Trumpet Note.

This was the trumpet note sounded by Secretary Hughes in the very recent bill of American rights which he presented to the Allies. This is the very cornerstone of the foreign policy that is being formulated by the Harding Administration. Its importance cannot be overestimated. It sweeps away the League of Nations, all secret treaties and agreements made without the cognizance of the United States and before the United States entered the war, goes back to the courageous and self-respecting era of American foreign relations of the Cleveland and Roosevelt Administrations and calmly informs the world without a trace of swaggering or swashbuckling that America knows her rights and is prepared to stand upon them.

The celerity with which the Knox resolution makes its way through Congress and up to the President depends in part upon the attitude the Allies take toward this bill of American rights. An answer or the answers to Secretary Hughes' identical notes may not be had for some weeks. The time is problematical. The answer is in the hands of the President and Secretary Hughes comprehend utterly the actual intentions of the Allies the Knox resolution must mark time.

The answer is satisfactory. It is likely the Knox resolution will go through in some form satisfactory to the Allies. It may be rewritten, in fact, it may be continued to not much more than a simple statement, the effect of which will be that a state of war between the United States and Germany no longer exists. If the answer is unsatisfactory the resolution will go through without so much consideration for the feelings of the Allies. That is the truth of the matter.

In the meantime the situation is clouded by factors thoroughly understood only by the President, Secretary Hughes and members of the Senate Foreign Relations Committee.

Soon after Congress meets Senator Knox will introduce his resolution without Section 5, which guarantees that the United States will come to the aid of civilization in case of another European outbreak. The resolution will be referred to the Foreign Relations Committee, and there it will rest for a time, how short or long it is utterly impossible to say at this writing. When it does come out for consideration there will be a contest over its passage. Also when the Administration wants it passed it will have its will.

The proposed treaty with Colombia, drawn to satisfy the claims and grievances of Colombia growing out of the origin of the republic of Panama and the simultaneous acquisition by President Roosevelt of the Panama Canal zone, is the first measure of importance that will come before the Senate. The treaty draft will be introduced Monday.

The agreement is that a vote must be had after eight days of consideration. There are some Senators of the old Roosevelt following who will oppose the treaty because of a feeling that any money payment to Colombia would be an insult to the memory of Roosevelt. A few Senators listed as "Republicans" are not "regular" in any sense of the word and will be prone to make trouble all along the line. But Harding and Hughes will have their way in the matter of the Colombian treaty as in other questions of foreign policy.

Many conferences held in the first month of this Administration have produced the conclusion that the President and the Secretary of State cannot successfully be opposed in their constitutional prerogative of initiating foreign policies and the Republican majorities in the Senate and House are large enough for all the political control necessary.

Kellogg (Minn.), Pollock (Wash.), Johnson (Cal.) and Borah (Idaho) are among the Republicans who will fight against adoption of the treaty. Watson (Dem., Ga.) will make his maiden speech against it. Shields (Dem., Tenn.) is also opposed to it. Lodge (Mass.) and Knox (Pa.) will lead the contest for it.

A contest over the proposal to limit armament and to reduce the size of the navy is sure to occupy the attention of the Senate in this extraordinary session. This contest will arise in the consideration of the naval appropriation bill, which failed at the last session and which must be passed before the end of the present fiscal year, June 30. There is a great deal more talk and theorizing over naval disarmament and a "naval holiday" than there is substance to the idea.

It can be taken for granted that the new Congress, swayed by the inspiration of the President, the Secretary of State and the Secretary of the Navy, will not send any thought waves toward the Capitol about weakening the first line of American defense. It is known that the President and his principal advisers are strongly in favor of a strong navy, of maintaining the naval program set for completion in 1924 and which will make the United States the foremost naval power.

Unquestionably, the Senate will renew in the Judiciary Committee, an investigation of the foreign loans amounting to \$10,000,000,000, which was not completed in the last Congress. Senator Reed (Mo.) has been examining the correspondence on this matter in the recess and promises interesting revelations, especially the manner in which Democratic Treasury officials handled the loans. There is a sentiment in the Senate and House that the United States should with all reasonableness and courtesy arrive at some agreement with our debtors as to interest payments, none of which has been made.

The proposed Anglo-French-American treaty is still before the Senate, but it will be pigeonholed in all probability to await the new Harding foreign policy. It is assumed that this policy will cover the essentials of the proposed treaty. Moreover, nothing can be done along such lines until after American elections growing out of the war have been brought to a frank and proper settlement.

Taking up the larger matters which

Congress must soon be at work upon, there stands out the two problems of external and internal taxation, a temporary and a permanent tariff law and a revision of the internal revenue act.

As to which will have the earlier attention, a permanent tariff bill or a measure for the revision of internal taxation, there is some doubt at present, but it is to be expected that internal taxation can be readjusted before a complicated new tariff law can be framed.

Probably the first effort of the new Congress will be to enact a set of three laws of an emergency character, all touching the security of American trade and industry. First comes the emergency tariff bill, called the Fordney bill, which, designed primarily for the relief of the farmers of the United States, is supported by Senators and Representatives of the West and Northwest and commands some support in the East.

This relief measure was blocked by President Wilson's veto at the end of the last Congress.

Third in line is a measure providing that import duties shall be based upon the American, not the foreign, values of products. This protective measure seems to be required in order to settle the state of foreign exchange and the cheap money of Europe. All three are in the way of makeshifts until the large permanent schemes can be crystallized.

Once Congress has solved these three problems it will turn its attention to the really stupendous task of making recognition of the primary fact that the rights and privileges of the United States, acquired by the United States as the result of her admitted power, must be recognized and respected by Great Britain, France, Italy and Japan.

Reduction of Surtaxes.

As regards the taxation of incomes, it is probable that the tremendous surtaxes now in vogue will be allowed down from 40 per cent. in the case of the largest incomes to a figure around 40 per cent. The assumption is now that 40 per cent. or 40-odd per cent. will be the highest, although this restrictive effort will meet with noisy hostility by persons in Congress who delight to harry the well to do.

It seems unlikely that the small and moderate incomes will obtain relief, although there will be a strong effort made to distinguish in the law between incomes derived from the labor of mind or body and incomes coming in other ways, as through investments.

While internal taxation revision is under way a study of external tariff revision and hearings on the tariff will be going on. Here is one of the most trying problems of the Administration. Foreign trade must be encouraged—both ways. Markets for American goods are wanted abroad. Foreign-made goods are wanted here, many varieties.

America desires as a matter of commercial policy to aid Europe to build up economically. Everything possible must be done to encourage trade reciprocity. Yet it is absolutely essential that American farmers and American manufacturers shall have the protection essential to cover the differences between the cheap costs of production abroad and the relatively high costs of production here and between the low pay of labor abroad and the high pay of labor here.

In other words, American mills must be kept going and American farmers must be sufficiently encouraged to till all the acreage possible. That is the puzzle in a nutshell.

How high can the tariff wall be raised? It can scarcely be of the old days of protective tariffs. The President appears to recognize that fact with his broad outlook on world affairs, yet he is thoroughly committed to a revision upward on many grounds, and a revision strongly upward there certainly will be.

Perhaps the most urgent appeal for a high tariff is that from the industries, from the factories and the mills, the cotton people, the wool people, the shoe manufacturers, and so on. There is still a perceptible sentiment among such for a higher tariff, but the strongest appeal is from the men who produce the food of the nation. The farmers are very powerful and numerous represented in the Sixty-seventh Congress, and this fact must be borne in mind.

Relief for Railroads.

A fourth problem of tremendous importance is the salvation of the railroads, heading as many think, toward bankruptcy. Whatever Congress undertakes is likely to be preceded by a general conference to be called by the President and comprising representatives of holders of railroad securities, railroad executives and representatives of the railroad labor unions.

Could a conference of the nature that has been suggested work out a feasible plan of agreement and cooperation among these interests, a plan by which labor and capital could work hand in hand, Congress's part of the task would be made comparatively easy, though by no means simple.

Senator Cummins (Iowa), railroad expert of Congress, will ask the Senate for authority to have the Interstate Commerce Commission investigate the cost of operation of the railroads. Mr. Cummins personally believes operation costs are excessive, and that these are the cause of many of the troubles of transportation systems.

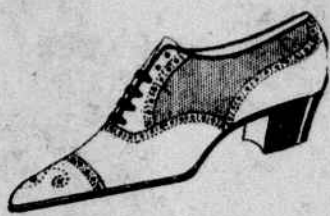
It is not expected there will be any new railroad legislation undertaken immediately, but there is certain to be a renewal of the agitation for Government ownership, for the Plumb plan and for other schemes that would take away all or a part of private control.

The immigration restriction bill, which was passed by the last Congress by a vote of 80 to 1 in the Senate and a vote of more than 7 to 1 in the House, only to be vetoed by President Wilson, will come up for early consideration and will be passed. It is said there is no likelihood of its falling by the wayside, since Congress is as definitely committed as ever and since the President is known to favor the measure.

Reapportionment legislation will occupy some of the time. Consideration of this bill will be based on the advisability of keeping the size of the House what it is now or increasing the membership to 500, say. The present House contains 435 members and if the decision is to limit its membership to that number that some of the States must lose a member or two.

Indiana would be the loser by such an arrangement, as would Missouri. The suggestion of a loss to be suffered by any State naturally arouses much opposition and there is a perfectly natural human sentiment perceptible among the members of Congress against forcing out any of their colleagues. On the face of the new census the House membership should go up and there is a proposition to raise the membership to 500 and let it stay there permanently.

As compared to the size of the British House of Commons or to the size of other important legislative bodies of the world this would not be excessive, it is argued. One of the propositions is to let every State retain as many representatives as it now enjoys and to add to the House as many new members as the gain in population by other States requires.



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Coats and Wrap Coats emphasizing the slender silhouette and the new collar treatments favored this season. Attractively embroidered or enhanced with clever stitchery. Ranging in price from

29.50 to 185.00.

Illustrated—Tricotine Coat—an unusual and distinctive model showing to particular advantage the smart throw ties which can be worn Tuxedo effect if desired—the ends are embroidered and finished with fringe. Specially priced at 59.50.

Illustrated—Dress of soft Taffeta with the new long line tunic effect—bodice and sleeves effectively embroidered in contrasting shades. In Navy, Brown and Black. 19.50.

Illustrated—Smart Canton Crepe Frock—a decidedly charming collarless model in the season's newest shades—trimmed with graduated silk fringe. Specially Priced at 34.50.

Women's Gloves

12 Button Milanese Silk Gloves with attractive contrasting embroidery. Shown in Mastic, Beaver, Navy, Champagne and White. Pair 1.95

Two clasp Milanese Silk Gloves in White, Black, Navy, Pongee and Beaver. Reduced to close. Pair 1.35

Undergarments

Women's Pink Combination Suits of fine ribbed Lisle—gauze weight—tight or wide knee—finished with beaded tops. All Sizes. Value 1.35. Special. .88

Women's Swiss ribbed Vests—gauze weight—a high grade quality with band or bodice tops in white—or bodice tops in pink. All sizes. .39

Towel Sale



Extra heavy hemmed Turkish Towels that are full bleached, soft and absorbent. A special purchase at about half the former price. Exceptional Value, Dozen. 6.00

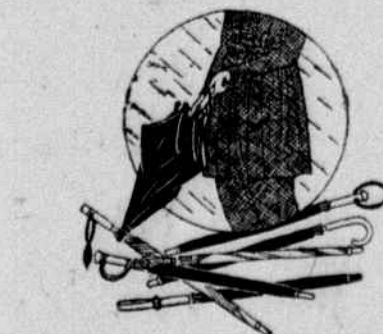
Cotton and Union Linen Huck Towels—A quality that is desirable for use in summer homes and bungalows. Very Special Dozen. 4.25 to 9.90

2,100 Yards of all Linen Crash Toweling. Formerly .60 yard. Reduced to. .39

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Featured at a price that has no equal, qualities considered. Arnold, Constable Special and Straylock Nets in various shades. Cap and fringe styles at Dozen. 1.00

Silk Umbrellas



Shown for the first time in the new club styles at a popular price.

Women's rain and sun Umbrellas made of real umbrella silks, cleverly trimmed Bakelite handles with loops, straps and rings—stubby ends—full sizes—case included. Values 7.50 and 8.50

An Extraordinary Special at

5.00

Continuing This Week

Men's Shirt Sale

Featured at almost half price and less

The style distinction of an Arnold, Constable Silk Shirt is the culmination of infinite care both in the making and finish, therefore the thing that commands the most interest in this sale next to the remarkably low price it is possible to quote is the fact that we bought the shirtings from our own wholesale department and had them made up according to our own generous specifications. The newest weaves and patterns are featured at the reduced price of

6.45 (Tax .35 extra)

Business Shirts, including Fibre Silks, Scotch Jacquard Madrases, etc., now on sale at 4.95 Each.

Veilings

French veilings, fancy meshes. Large and small Chenille dots in the season's smart colorings. Gray, Rust, Folie, Taupe, Brown, Navy; also Black Maggie. Value .50 to .75 Now .29

French dotted veilings in all the smart Spring colorings. Special. .90

Skirtings

All wool striped and plaid skirtings in the smartest of Spring color combinations—34 inches wide. Regularly 3.75 Yard. For this sale. 2.95

Silks

For Every Occasion.

Crepe de Chine—40 inches wide—soft, firm and durable—in all the new Spring shades. Formerly 3.00 Yard. Now 1.65

Taffeta—the weave supreme for dainty Springtime frocks—a lovely quality in a 36 inch width now on sale here at. 1.95

Dress Satin—a lustrous quality that will drape beautifully. Yard. 2.35

White Voile Blouses

Trimmed with real hand made Filet Lace!

1.95 Each

One model designed with Pinafore collar and a simulated Vestee trimmed with Filet lace insertions—another style is fashioned with deep roll collar embellished with Filet lace edgings and medallions, tucks and drawn work. All sizes to 44.



Other Blouses in various materials always on sale in the section devoted to styles priced at 1.95.

Fibre Silk Sweaters in two of the newest weaves for Spring—shown with Tuxedo collar and deep cuffs—in fashionable high shades and the more conservative tones. Very Special. 12.75

Scotch Chenille
Axminster Rugs

At reductions of 25 to 30% from regular prices.

Sizes	Sale Price
34 x 66 in.	14.75
4 x 7 ft.	35.00
7 1/2 x 9 ft.	65.00
7 1/2 x 10 1/2 ft.	75.00
9 x 10 1/2 ft.	89.00
9 x 12 ft.	100.00

A special assortment of CARPETS—best grades only. Now reduced to 4.75 and 5.25 yard. 1.95

Petticoats

An extraordinary value is featured this week in fine Cotton Taffeta Petticoats in two smart styles—tucked and ruffled flounces. Special at. .95

Silk Petticoats in Jerseys and Taffetas. Each 3.95

Camisoles

Of Radium Silk In dainty tailored slip-on styles—ribbon drawn and finished with shoulder straps—elastic at the waist. All sizes. 1.95